

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 PM-04 NSC-05 SP-02 SS-15 CIAE-00
DODE-00 INR-07 NSAE-00 PA-01 USIA-06 PRS-01 EB-08
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-----271302Z 010420 /53

R 271113Z APR 77
FM AMEMBASSY PARIS
TO SECSTATE WASHDC 2143
INFO AMCONSUL BORDEAUX
AMCONSUL LYON
AMCONSUL MARSEILLE
AMCONSUL NICE
AMCONSUL STRASBOURG

C O N F I D E N T I A L SECTION 01 OF 02 PARIS 12286

E.O. 11652: GDS
TAGS: PINT, FR
SUBJECT: MARCHAIS SPEAKS TO BUSINESSMEN

SUMMARY: BILLED AS THE FIRST PCF LEADER IN 60 YEARS TO APPEAR PUBLICLY BEFORE A MAJOR BUSINESS AUDIENCE, MARCHAIS ANSWERED QUESTIONS NON-STOP FOR ONE AND-A-HALF HOURS ON APRIL 21 ON VARIOUS ASPECTS OF THE COMMON PROGRAM AND HIS PARTY'S POLICIES. HE CLEARLY DIDN'T CHANGE THE VOTE OF ANY ONE OF THE 400 BUSINESS REPRESENTATIVES PRESENT ("I DIDN'T COME HERE TO CONVINCE YOU"), HAVING SET HIS SIGHTS ON THE TV AUDIENCE WHICH SAW THE REBROADCAST THAT SAME NIGHT. PLAYING TO THIS AUDIENCE HE WAS DIRECT IN DESCRIBING FRANCE'S PRESENT ECONOMIC AND SOCIAL ILLS AND UNFLINCHING IN HIS DEFENSE OF THE PRINCIPLES OF THE COMMON PROGRAM. EVEN CRITICS ON THE OTHER SIDE OF THE POLITICAL FENCE GIVE MARCHAIS A CERTAIN AMOUNT OF CREDIT FOR NOT TRYING TO MAKE THE COMMON PROGRAM MORE PALATABLE TO BUSINESS BY GLOSSING OVER SOME OF ITS MORE EMBARRASSING PROVISIONS. END SUMMARY.
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1. GEORGES MARCHAIS' MOMENT OF TRUTH TURNED INTO MORE OF A SHOUTING MATCH BASED ON MUTUAL INCOMPREHENSION THAN A SERIOUS EXAMINATION OF THE PCF'S ECONOMIC POLICIES. ON ANEARLY EVERY OCCASION WHICH COULD HAVE LED TO A DETAILED DISCUSSION OF THE LEFT'S POLICIES SHOULD IT WIN IN 1978, MARCHAIS SHOWED THAT HE HAD COME TO THE "L'EXPANSION"

FORUM AS A POLITICAL LEADER READY TO SCORE DEBATING POINTS (WHICH HE DID) RATHER THAN A PARTY LEADER TURNED ECONOMIST FOR THE DAY. NEVERTHELESS, CERTAIN ASPECTS OF MARCHAIS' CHARACTER, WHICH HE HAS DEVELOPED RATHER EFFECTIVELY OVER THE LAST FEW YEARS, AND CERTAIN PCF MESSAGES WERE ABLY CONVEYED WITH A COMBINATION OF PLAIN TALK AND WIT.

2. MARCHAIS' OBJECTIVES: COMING JUST MONTHS AFTER PS LEADER FRANCOIS MITTERRAND AND HIS FOUR TOP ECONOMIC ADVISORS CAME TO SWEET-TALK THE SAME AUDIENCE, MARCHAIS COULD HAVE EXPECTED INTEREST AND CURIOSITY. INSTEAD, HE GOT LOADED QUESTIONS BY BUSINESSMEN WHO HAD AN AX TO GRIND. CONSUMMATE STAGE PERFORMER THAT HE IS, MARCHAIS MANAGED TO TURN THESE INVECTIVES TO HIS ADVANTAGE. BEYOND HIGHLIGHTING THE MAIN ECONOMIC ASPECTS OF THE COMMON PROGRAM, MARCHAIS ALSO WANTED TO ACCOMPLISH THE FOLLOWING:

-- REACH OUT TO THE MILLIONS OF TV VIEWERS WHO SAW THE RE-TRANSMISSION THE SAME EVENING. WITH THE POSSIBLE EXCEPTION OF GISCARD AND BARRE, THERE IS PROBABLY NO OTHER FRENCH POLITICIAN WHO RECEIVES THE SAME AMOUNT OF RADIO AND TV EXPOSURE AS GEORGES MARCHAIS. WHATEVER THE VIEWER'S POLITICAL PREFERENCE, MARCHAIS HAS BECOME A HOUSEHOLD FIXTURE.

-- CONVINCE THE PUBLIC THAT FRANCE IS EXPERIENCING THE WORST ECONOMIC CRISIS SINCE THE 1930'S AND THAT THE COMMON PROGRAM, RATHER THAN THREATENING DISASTER FOR THE ECONOMY, HAS MORE TO OFFER THAN THE PRESENT

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GOVERNMENT'S PROGRAM. NATIONALIZATIONS, WORKER PARTICIPATION IN MANAGEMENT, SHARPLY INCREASING THE MINIMUM WAGE (PLUS 43 PERCENT), RAISING OTHER WORKERS' SALARIES, FREEZING PRICES, A WEALTH TAX AND FISCAL REFORM WERE INCLUDED AS SOME OF THE MAIN WEAPONS OF MARCHAIS' ARSENAL.

-- REMIND HIS AUDIENCE THAT A HEALTHY ECONOMY, AS CRUCIAL AS THAT MIGHT BE, IS SUBORDINATE TO THE LEFT'S PRIMARY GOALS WHICH ARE SOCIAL AND POLITICAL. IMPROVING THE LOT OF THE WORKERS AND THE POOR IS THE MOST IMPORTANT GOAL OF THE PCF.

-- ASSUAGE SMALL BUSINESSMEN (OF WHICH THERE ARE 1.7 MILLION) THAT THEY HAVE NOTHING TO WORRY ABOUT. THEIR ACTIVITIES WOULD BE ENCOURAGED BY A LEFT GOVERNMENT AND THEIR MANAGEMENT PREROGATIVES NOT INFRINGED UPON. HE WAS NOTICEABLY UNSUCCESSFUL IN THIS EFFORT BEFORE THIS PARTICULAR AUDIENCE.

3. MARCHAIS' RISKS: THERE WERE OBVIOUS RISKS ALSO FOR MARCHAIS IN AGREEING TO A DEBATE ON THE AUDIENCE'S OWN

TURF AND ON THEIR SUBJECT. BUT MARCHAIS DID NOT COME

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C O N F I D E N T I A L SECTION 02 OF 02 PARIS 12286

UNCOACHED. HE RECENTLY HELD HIS OWN DURING A LENGTHY
TV DEBATE ON THE OIL SECTOR WITH FORMER FINANCE MINISTER
AND PRESENT MINISTER OF TERRITORIAL DEVELOPMENT FOUR-
CADE. NEVERTHELESS, HE WAS NOT ABLE TO AVOID ALL PIT-
FALLS:

-- HE MANAGED TO BREAK SOLIDARITY BETWEEN THE PCF
POSITION (ON NATIONALIZATION) AND THE COMMON PROGRAM.
THE ECONOMIC PROGRAM LANGUAGE GIVES WORKERS THE RIGHT
TO VOTE A NATIONALIZATION (WITH THE SUBSEQUENT APPROVAL
OF PARLIAMENT). MARCHAIS POINTED OUT THAT SUCH A PRO-
VISION DOES NOT EXIST IN THE PCF'S OWN PROGRAM AND IM-
PLIED THAT HE WOULD NOT FAVOR ADDITIONAL NATIONALIZATI-
ONS ON THIS BASIS.

-- HE MUST HAVE LEFT MODERATE ECONOMISTS SHUDDER-
ING AFTER HIS ALLUSIONS TO PROTECTIONIST MEASURES,
WHICH HE CALLED NECESSARY TO STIMULATE DOMESTIC DEMAND
AND PRESERVE JOBS IN FRANCE.

-- BUSINESS MANAGERS WERE NO LESS REASSURED BY
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PCF INTENTIONS TO FREEZE SELLING PRICES WHILE INCREAS-
ING WORKERS' SALARIES.

-- MATCHING THE LEVEL OF SELF-CONFIDENCE AND AG-
GRESSIVENESS OF SOME OF HIS QUESTIONERS, MARCHAIS SOME-
TIMES SHOWED ANEW HIS OLD IMAGE OF A PARTY INSIDER.
EVEN AFTER DRIVING THROUGH THE PCF'S MORE MODERATE 22ND
PARTY CONGRESS LINE, HE STILL GIVES THE IMPRESSION OF
FALLING SOMEWHERE BETWEEN THE YOUNGER, SUPPOSEDLY LESS
DOCTRINAIRE MAYORS AND DEPUTIES (SUCH AS JUQUIN), AND
THE OLD-LINE STALINISTS (SUCH AS KANAPA). MARCHAIS
CONFIRMED THIS IMPRESSION DURING HIS APPEARANCE.

4. MEAGER REVELATIONS: IT WAS NOT A DAY FOR ANOTHER
BIG MARCHAIS SURPRISE (SUCH AS HIS CASUAL ANNOUNCEMENT
IN 1975, DROPPING THE DICTATORSHIP OF THE PROLETARIAT
AND HIS RECENT REVELATION OF A LESS HARSH LINE ON THE
EC PARLIAMENT). BUT EVEN HIS MINOR REVELATIONS CAUSED
SOME INTEREST: A 10 PERCENT RATE OF INFLATION UNDER
A LEFT GOVERNMENT WOULD BE CONSIDERED A FAILURE; THE
RATIO BETWEEN THE HIGHEST AND LOWEST PAID SHOULD NOT
BE MORE THAN 5 TO 1. WHAT THE PCF WANTS FROM THE
BUSINESS COMMUNITY MORE THAN ANYTHING ELSE IS ABSTENTION
FROM TAKING ANY ILLEGAL ACTIONS WHICH COULD PREVENT THE
REALIZATION OF THE COMMON PROGRAM. THE COMMON PROGRAM
IS A PROGRAM OF GOVERNMENT, NOT A NEW VISION OF FRENCH
SOCIETY (MAJORITY LEADERS ARGUE THE OPPOSITE AND EMPHA-
SIZE THAT THE 1978 LEGISLATIVE ELECTIONS PRESENT THE
FRENCH ELECTORATE WITH A "CHOICE OF SOCIETY"). THE
FRENCH PUBLIC WILL BE ASKED TO PRONOUNCE ITSELF EVERY
5 YEARS ON WHETHER THE IMPLEMENTATION OF THE COMMON
PROGRAM UP TO THAT POINT MEETS WITH ITS APPROVAL.

5. COMMENT: NONE OF THESE STATEMENTS IS VERY STARTLING.
AND INDEED, IN THE OPINION OF EMBASSY OFFICERS PRESENT,
THE SIGNIFICANCE OF THE MEETING WAS NOT IN ITS SUBSTAN-
CE. THAT BUSINESS INVITED MARCHAIS SHOWS MORE THAN
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CURIOSITY ON ITS PART; AS THE PCF DAILY HUMANITE PUT
IT, "IT IS NO LONGER POSSIBLE TO DEBATE THE FUTURE OF
FRANCE WITHOUT TAKING INTO CONSIDERATION THE PCF." THAT
MARCHAIS ACCEPTED SHOWS HE FELT HE HAD AT LEAST AS MUCH
TO GAIN, EVEN BEFORE A HOSTILE AUDIENCE. IT IS UNCLEAR
WHETHER MARCHAIS ACTUALLY CAME OUT AHEAD IN THIS DEBA-
TE, BUT HE HAS SAVED THE TASTE OF THE ENCOUNTER
ENOUGH TO ISSUE A CHALLENGE ON APRIL 25 TO PRIME MINIS-

TER BARRE TO YET ANOTHER TV DEBATE.
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Message Attributes

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